

1 HOUSE BILL NO. 424
2 INTRODUCED BY L. JONES, D. BEDEY, J. ESP, J. ELLSWORTH, K. BOGNER
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING SUSTAINABILITY OF STATE FINANCE;
5 REVISING TRANSFER PERCENTAGES INTO THE BUDGET STABILIZATION RESERVE FUND AND THE
6 CAPITAL DEVELOPMENTS LONG-RANGE BUILDING PROGRAM ACCOUNT; INCREASING THE CAP ON
7 THE BUDGET STABILIZATION RESERVE FUND; INCREASING THE CAP ON THE FIRE SUPPRESSION
8 FUND; ALLOWING THE CAPITAL DEVELOPMENTS LONG-RANGE BUILDING PROGRAM ACCOUNT TO
9 PAY ON BONDS AND RELATED COSTS; TEMPORARILY INCREASING THE GOVERNOR'S EMERGENCY
10 FUNDS; REQUIRING THAT FUNDS IN THE CAPITAL DEVELOPMENTS LONG-RANGE BUILDING
11 PROGRAM ACCOUNT BE USED TO FOREGO OR REDUCE THE AMOUNT OF ISSUANCE OF GENERAL
12 OBLIGATION BONDS; PROVIDING FOR GENERAL FUND TRANSFERS AND GENERAL FUND
13 REVERSIONS INTO THE BUDGET STABILIZATION RESERVE FUND ~~AND THE FIRE SUPPRESSION~~
14 ~~FUND~~; PROVIDING FOR OTHER TRANSFERS FROM THE GENERAL FUND; PROVIDING FOR A
15 STATUTORY APPROPRIATION; EXPANDING USES OF A STATUTORY APPROPRIATION; AMENDING
16 SECTIONS 10-3-312, 17-7-102, 17-7-130, 17-7-140, 17-7-209, AND 17-7-502, ~~AND 76-13-150~~, MCA;
17 AMENDING SECTION 1(2), CHAPTER 476, LAWS OF 2019, SECTION 13, CHAPTER 476, LAWS OF 2019,
18 AND SECTION 2(2), CHAPTER 499, LAWS OF 2005; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
19 AND A TERMINATION DATE."

20
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
22

23 **Section 1.** Section 10-3-312, MCA, is amended to read:

24 **"10-3-312. Maximum expenditure by governor -- appropriation.** (1) Whenever a disaster or an
25 emergency, including an energy emergency as defined in 90-4-302 or an invasive species emergency declared
26 under 80-7-1013, is declared by the governor, there is statutorily appropriated to the office of the governor, as
27 provided in 17-7-502, and, subject to subsection (2), the governor is authorized to expend from the general fund
28 an amount not to exceed ~~\$46~~ \$32 \$20 million in any biennium, minus any amount appropriated pursuant to 10-

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1 3-310 in the same biennium. The statutory appropriation in this subsection may be used by any state agency
2 designated by the governor.

3 (2) In the event of the recovery of money expended under this section, the spending authority must
4 be reinstated to a level reflecting the recovery.

5 (3) If a disaster is declared by the president of the United States, there is statutorily appropriated to
6 the office of the governor, as provided in 17-7-502, and the governor is authorized to expend from the general
7 fund an amount not to exceed \$500,000 during the biennium to meet the state's share of the individuals and
8 households grant programs as provided in 42 U.S.C. 5174. The statutory appropriation in this subsection may
9 be used by any state agency designated by the governor.

10 (4) At the end of each biennium, an amount equal to the unexpended and unencumbered balance
11 of the ~~\$16~~ \$32 ~~\$20~~ million statutory appropriation in subsection (1), minus any amount appropriated pursuant to
12 10-3-310 in the same biennium, must be transferred by the state treasurer from the state general fund to the
13 fire suppression account provided for in 76-13-150."
14

15 **Section 2.** Section 17-7-102, MCA, is amended to read:

16 **"17-7-102. (Temporary) Definitions.** As used in this chapter, the following definitions apply:

17 (1) "Additional services" means different services or more of the same services.

18 (2) "Agency" means all offices, departments, boards, commissions, institutions, universities,
19 colleges, and any other person or any other administrative unit of state government that spends or encumbers
20 public money by virtue of an appropriation from the legislature under 17-8-101.

21 (3) "Approving authority" means:

22 (a) the governor or the governor's designated representative for executive branch agencies;

23 (b) the chief justice of the supreme court or the chief justice's designated representative for judicial
24 branch agencies;

25 (c) the speaker for the house of representatives;

26 (d) the president for the senate;

27 (e) appropriate legislative committees or a designated representative for legislative branch
28 agencies; or

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1 (f) the board of regents of higher education or its designated representative for the university
2 system.

3 (4) (a) "Base budget" means the resources for the operation of state government that are of an
4 ongoing and nonextraordinary nature in the current biennium. The base budget for the state general fund and
5 state special revenue funds may not exceed that level of funding authorized by the previous legislature.

6 (b) The term does not include:

7 (i) funding for water adjudication if the accountability benchmarks contained in 85-2-271 are not
8 met;

9 (ii) funding for petroleum storage tank leak prevention if the accountability benchmarks in 75-11-
10 521 are not met.

11 (5) "Budget amendment" means a temporary appropriation as provided in Title 17, chapter 7, part
12 4.

13 (6) "Budget stabilization reserve" means the amount of unappropriated fund balance in the budget
14 stabilization reserve fund up to 4.5% ~~12%~~ 16% of all general fund appropriations in the second year of the
15 biennium.

16 (7) "Emergency" means a catastrophe, disaster, calamity, or other serious unforeseen and
17 unanticipated circumstance that has occurred subsequent to the time that an agency's appropriation was made,
18 that was clearly not within the contemplation of the legislature and the governor, and that affects one or more
19 functions of a state agency and the agency's expenditure requirements for the performance of the function or
20 functions.

21 (8) "Funds subject to appropriation" means those funds required to be paid out of the treasury as
22 set forth in 17-8-101.

23 (9) "Necessary" means essential to the public welfare and of a nature that cannot wait until the
24 next legislative session for legislative consideration.

25 (10) "New proposals" means requests to provide new nonmandated services, to change program
26 services, to eliminate existing services, or to change sources of funding. For purposes of establishing the
27 present law base, the distinction between new proposals and the adjustments to the base budget to develop
28 the present law base is to be determined by the existence of constitutional or statutory requirements for the

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1 proposed expenditure. Any proposed increase or decrease that is not based on those requirements is
2 considered a new proposal.

3 (11) "Operating reserve" means an amount equal to 8.3% of all general fund appropriations in the
4 second year of the biennium.

5 (12) "Present law base" means that level of funding needed under present law to maintain
6 operations and services at the level authorized by the previous legislature, including but not limited to:

7 (a) changes resulting from legally mandated workload, caseload, or enrollment increases or
8 decreases;

9 (b) changes in funding requirements resulting from constitutional or statutory schedules or
10 formulas;

11 (c) inflationary or deflationary adjustments; and

12 (d) elimination of nonrecurring appropriations.

13 (13) "Program" means a principal organizational or budgetary unit within an agency.

14 (14) "Requesting agency" means the agency of state government that has requested a specific
15 budget amendment.

16 (15) "University system unit" means the board of regents of higher education; office of the
17 commissioner of higher education; university of Montana, with campuses at Missoula, Butte, Dillon, and
18 Helena; Montana state university, with campuses at Bozeman, Billings, Havre, and Great Falls; the agricultural
19 experiment station, with central offices at Bozeman; the forest and conservation experiment station, with central
20 offices at Missoula; the cooperative extension service, with central offices at Bozeman; the bureau of mines and
21 geology, with central offices at Butte; the fire services training school at Great Falls; and the community
22 colleges supervised and coordinated by the board of regents pursuant to 20-15-103. (Terminates June 30,
23 2028--sec. 11, Ch. 269, L. 2015.)

24 **17-7-102. (Effective July 1, 2028) Definitions.** As used in this chapter, the following definitions
25 apply:

26 (1) "Additional services" means different services or more of the same services.

27 (2) "Agency" means all offices, departments, boards, commissions, institutions, universities,
28 colleges, and any other person or any other administrative unit of state government that spends or encumbers

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1 public money by virtue of an appropriation from the legislature under 17-8-101.

2 (3) "Approving authority" means:

3 (a) the governor or the governor's designated representative for executive branch agencies;

4 (b) the chief justice of the supreme court or the chief justice's designated representative for judicial
5 branch agencies;

6 (c) the speaker for the house of representatives;

7 (d) the president for the senate;

8 (e) appropriate legislative committees or a designated representative for legislative branch
9 agencies; or

10 (f) the board of regents of higher education or its designated representative for the university
11 system.

12 (4) "Base budget" means the resources for the operation of state government that are of an
13 ongoing and nonextraordinary nature in the current biennium. The base budget for the state general fund and
14 state special revenue funds may not exceed that level of funding authorized by the previous legislature.

15 (5) "Budget amendment" means a temporary appropriation as provided in Title 17, chapter 7, part
16 4.

17 (6) "Budget stabilization reserve" means the amount of unappropriated fund balance in the budget
18 stabilization reserve fund up to 4.5% ~~12%~~ 16% of all general fund appropriations in the second year of the
19 biennium.

20 (7) "Emergency" means a catastrophe, disaster, calamity, or other serious unforeseen and
21 unanticipated circumstance that has occurred subsequent to the time that an agency's appropriation was made,
22 that was clearly not within the contemplation of the legislature and the governor, and that affects one or more
23 functions of a state agency and the agency's expenditure requirements for the performance of the function or
24 functions.

25 (8) "Funds subject to appropriation" means those funds required to be paid out of the treasury as
26 set forth in 17-8-101.

27 (9) "Necessary" means essential to the public welfare and of a nature that cannot wait until the
28 next legislative session for legislative consideration.

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1 (10) "New proposals" means requests to provide new nonmandated services, to change program
2 services, to eliminate existing services, or to change sources of funding. For purposes of establishing the
3 present law base, the distinction between new proposals and the adjustments to the base budget to develop
4 the present law base is to be determined by the existence of constitutional or statutory requirements for the
5 proposed expenditure. Any proposed increase or decrease that is not based on those requirements is
6 considered a new proposal.

7 (11) "Operating reserve" means an amount equal to 8.3% of all general fund appropriations in the
8 second year of the biennium.

9 (12) "Present law base" means that level of funding needed under present law to maintain
10 operations and services at the level authorized by the previous legislature, including but not limited to:

11 (a) changes resulting from legally mandated workload, caseload, or enrollment increases or
12 decreases;

13 (b) changes in funding requirements resulting from constitutional or statutory schedules or
14 formulas;

15 (c) inflationary or deflationary adjustments; and

16 (d) elimination of nonrecurring appropriations.

17 (13) "Program" means a principal organizational or budgetary unit within an agency.

18 (14) "Requesting agency" means the agency of state government that has requested a specific
19 budget amendment.

20 (15) "University system unit" means the board of regents of higher education; office of the
21 commissioner of higher education; university of Montana, with campuses at Missoula, Butte, Dillon, and
22 Helena; Montana state university, with campuses at Bozeman, Billings, Havre, and Great Falls; the agricultural
23 experiment station, with central offices at Bozeman; the forest and conservation experiment station, with central
24 offices at Missoula; the cooperative extension service, with central offices at Bozeman; the bureau of mines and
25 geology, with central offices at Butte; the fire services training school at Great Falls; and the community
26 colleges supervised and coordinated by the board of regents pursuant to 20-15-103."

27

28 **Section 3.** Section 17-7-130, MCA, is amended to read:

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1 **"17-7-130. Budget stabilization reserve fund -- rules for deposits and transfers -- purpose. (1)**

2 There is an account in the state special revenue fund established by 17-2-102 known as the budget
3 stabilization reserve fund.

4 (2) The purpose of the budget stabilization reserve fund is to mitigate budget reductions when
5 there is a revenue shortfall.

6 (3) Except as provided in subsection (4), by August 15 following the end of each fiscal year, an
7 amount equal to the balance of unexpended and unencumbered general fund money appropriated in excess of
8 0.5% of the total general fund money appropriated for that fiscal year must be transferred by the state treasurer
9 from the general fund to the budget stabilization reserve fund. General fund appropriations that continue from a
10 fiscal year to the next fiscal year and any general fund appropriations made pursuant to 10-3-310 or 10-3-312
11 are excluded from the calculation.

12 (4) The provisions of subsection (3) do not apply in a fiscal year in which reductions required by
13 17-7-140 occur or if a transfer pursuant to subsection (3) would require reductions pursuant to 17-7-140.

14 (5) If the transfer provided for in subsection (3) increases the balance in the budget stabilization
15 reserve fund to exceed 16% of all general fund appropriations in the second year of the biennium, the amount
16 in excess is transferred to the capital developments long-range building program account established in 17-7-
17 209.

18 ~~(3)~~(6) By August 1 of each year, the department of administration shall certify to the legislative fiscal
19 analyst and the budget director the following:

20 (a) the unaudited, unassigned ending fund balance of the general fund for the most recently
21 completed fiscal year; and

22 (b) the amount of unaudited general fund revenue and transfers into the general fund received in
23 the prior fiscal year recorded when that fiscal year's statewide accounting, budgeting, and human resource
24 system records are closed. General fund revenue and transfers into the general fund are those recorded in the
25 statewide accounting, budgeting, and human resource system using generally accepted accounting principles
26 in accordance with 17-1-102.

27 ~~(4)~~(7) (a) The state treasurer shall calculate the operating reserve level of general fund balance
28 defined in 17-7-102(11). The treasurer shall first apply the excess revenue to reach the operating reserve level

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1 general fund balance, if necessary.

2 (b) Once the general fund balance is at the reserve level, 75% of the remaining excess revenue is
3 transferred to the budget stabilization reserve fund, as follows:

4 (i) to the budget stabilization reserve fund, until the amount in the fund is equal to ~~12%~~ 16% of all
5 general fund appropriations in the second year of the biennium; then

6 (ii) to the account established in 17-7-209, until the amount in the fund in excess of the amount
7 needed for appropriations from the capital developments long-range building program account in the capital
8 projects fund type is equal to 12% of all general fund appropriations in the second year of the biennium.

9 (c) After the transfers in subsections ~~(4)(b)(i) (7)(b)(i)~~ and ~~(4)(b)(ii) (7)(b)(ii)~~ have been made, if the
10 balance of the budget stabilization reserve fund exceeds an amount equal to ~~12%~~ 16% of the general fund
11 appropriations in the second year of the biennium and the balance of the account established in 17-7-209 in
12 excess of the amount needed for appropriations from the capital developments long-range building program
13 account in the capital projects fund type exceeds ~~12%~~ 16% of all general fund appropriations in the second
14 year of the biennium, then:

15 (i) 25% of any funds in excess of that amount must be transferred to the account established in
16 17-7-209; and

17 (ii) 75% of the funds in excess of that amount remain in the general fund.

18 (5) ~~After a transfer is made pursuant to subsection (4), if the balance of the fund exceeds an amount~~
19 ~~equal to 4.5% of all general fund appropriations in the second year of the biennium, then 50% of any funds in~~
20 ~~excess of that amount must be transferred to the account established in 17-7-209 and 50% to the general fund~~
21 ~~by August 16 of each fiscal year.~~

22 (6) ~~(5)(8)~~ For the purposes of this section, the following definitions apply:

23 (a) "Adjusted compound annual growth rate revenue" means general fund revenue for the fiscal
24 year prior to the most recently completed fiscal year plus the growth amount.

25 (b) "Excess revenue" means the amount of general fund revenue, including transfers in, for the
26 most recently completed fiscal year minus adjusted compound annual growth rate revenue.

27 (c) "Growth amount" means general fund revenue for the fiscal year prior to the most recently
28 completed fiscal year multiplied by the growth rate.

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1 (d) "Growth rate" means the annual compound growth rate of general fund revenue realized over
2 the period 12 years prior to the most recently completed fiscal year, including the most recently completed fiscal
3 year."
4

5 **Section 4.** Section 17-7-140, MCA, is amended to read:

6 **"17-7-140. Reduction in spending.** (1) (a) As the chief budget officer of the state, the governor shall
7 ensure that the expenditure of appropriations does not exceed available revenue. Except as provided in
8 subsection (2), in the event of a projected general fund budget deficit, the governor, taking into account the
9 criteria provided in subsection (1)(c), shall direct agencies to reduce spending in an amount that ensures that
10 the projected ending general fund balance for the biennium will be at least:

11 (i) 4% of the general fund appropriations for the second fiscal year of the biennium prior to
12 October of the year preceding a legislative session;

13 (ii) 3% of the general fund appropriations for the second fiscal year of the biennium in October of
14 the year preceding a legislative session;

15 (iii) 2% of the general fund appropriations for the second fiscal year of the biennium in January of
16 the year in which a legislative session is convened; and

17 (iv) 1% of the general fund appropriations for the second fiscal year of the biennium in March of the
18 year in which a legislative session is convened.

19 (b) An agency may not be required to reduce general fund spending for any program, as defined in
20 each general appropriations act, by more than 10% during a biennium. A governor may not reduce total agency
21 spending in the biennium by more than 4% of the second year general fund appropriations for the agency.
22 Departments or agencies headed by elected officials or the board of regents may not be required to reduce
23 general fund spending by a percentage greater than the percentage of general fund spending reductions
24 required for the weighted average of all other executive branch agencies. The legislature may exempt from a
25 reduction an appropriation item within a program or may direct that the appropriation item may not be reduced
26 by more than 10%.

27 (c) The governor shall direct agencies to manage their budgets in order to reduce general fund
28 expenditures. Prior to directing agencies to reduce spending as provided in subsection (1)(a), the governor

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1 shall direct each agency to analyze the nature of each program that receives a general fund appropriation to
2 determine whether the program is mandatory or permissive and to analyze the impact of the proposed
3 reduction in spending on the purpose of the program. An agency shall submit its analysis to the office of budget
4 and program planning and shall at the same time provide a copy of the analysis to the legislative fiscal analyst.
5 The report must be submitted in an electronic format. The office of budget and program planning shall review
6 each agency's analysis, and the budget director shall submit to the governor a copy of the office of budget and
7 program planning's recommendations for reductions in spending. The budget director shall provide a copy of
8 the recommendations to the legislative fiscal analyst at the time that the recommendations are submitted to the
9 governor and shall provide the legislative fiscal analyst with any proposed changes to the recommendations.
10 The recommendations must be provided in an electronic format. The recommendations must be provided to the
11 legislature in accordance with 5-11-210. The legislative finance committee shall meet within 20 days of the date
12 that the proposed changes to the recommendations for reductions in spending are provided to the legislative
13 fiscal analyst. The legislative fiscal analyst shall provide a copy of the legislative fiscal analyst's review of the
14 proposed reductions in spending to the budget director at least 5 days before the meeting of the legislative
15 finance committee. The committee may make recommendations concerning the proposed reductions in
16 spending. The governor shall consider each agency's analysis and the recommendations of the office of budget
17 and program planning and the legislative finance committee in determining the agency's reduction in spending.
18 Reductions in spending must be designed to have the least adverse impact on the provision of services
19 determined to be most integral to the discharge of the agency's statutory responsibilities.

20 (2) Reductions in spending for the following may not be directed by the governor:

- 21 (a) payment of interest and principal on state debt;
- 22 (b) the legislative branch;
- 23 (c) the judicial branch;
- 24 (d) the school BASE funding program, including special education;
- 25 (e) salaries of elected officials during their terms of office; and
- 26 (f) the Montana school for the deaf and blind.

27 (3) (a) As used in this section, "projected general fund budget deficit" means an amount, certified
28 by the budget director to the governor, by which the projected ending general fund balance for the biennium is

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1 less than:

2 (i) 4% of the general fund appropriations for the second fiscal year of the biennium prior to

3 October of the year preceding a legislative session;

4 (ii) 1.875% in October of the year preceding a legislative session;

5 (iii) 1.25% in January of the year in which a legislative session is convened; and

6 (iv) 0.625% in March of the year in which a legislative session is convened.

7 (b) In determining the amount of the projected general fund budget deficit, the budget director shall

8 take into account revenue, established levels of appropriation, anticipated supplemental appropriations for

9 school equalization aid and the cost of the state's wildland fire suppression activities exceeding the amount

10 statutorily appropriated in 10-3-312, and anticipated reversions.

11 (4) If the budget director determines that an amount of actual or projected receipts will result in an

12 amount less than the amount projected to be received in the revenue estimate established pursuant to 5-5-227,

13 the budget director shall notify the revenue interim committee in accordance with 5-11-210 of the estimated

14 amount. Within 20 days of notification, the revenue interim committee shall provide the budget director with any

15 recommendations concerning the amount. The budget director shall consider any recommendations of the

16 revenue interim committee prior to certifying a projected general fund budget deficit to the governor.

17 (5) If the budget director certifies a projected general fund budget deficit, the governor may

18 authorize transfers to the general fund from certain accounts as set forth in ~~subsections-subsection (6) and (7).~~

19 (6) The governor may authorize transfers from the budget stabilization reserve fund provided for in

20 17-7-130. The governor may authorize \$2 ~~\$3~~ of transfers from the fund for each \$1 of reductions in spending

21 ~~for up to two-thirds of the balance in the reserve fund as calculated following the annual transfers to and from~~

22 ~~the fund made pursuant to 17-7-130(4) but may not authorize a transfer that would cause the balance of the~~

23 ~~budget stabilization reserve fund to be less than 6% of all general fund appropriations in the second year of the~~

24 ~~biennium.~~

25 ~~(7) If the budget stabilization reserve fund provided for in 17-7-130 is fully expended and the~~

26 ~~governor determines more spending reductions are needed to address the projected general fund budget~~

27 ~~deficit, the governor may authorize transfers to the general fund from the fire suppression account established~~

28 ~~in 76-13-150. The amount of funds available for a transfer from this account is up to the sum of the fund~~

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1 ~~balance of the account, plus expected current year revenue, minus the sum of 1% of the general fund~~
2 ~~appropriations for the second fiscal year of the biennium, plus estimated expenditures from the account for the~~
3 ~~fiscal year. The governor may authorize \$1 of transfers from the fire suppression account established in 76-13-~~
4 ~~150 for each \$1 of reductions in spending."~~

5

6 **Section 5.** Section 17-7-209, MCA, is amended to read:

7 **"17-7-209. Capital developments long-range building program account.** (1) (a) There is a capital
8 developments long-range building program account in the capital projects fund type to fund capital
9 developments and to retire general obligation bonds paid by the general fund.

10 (b) If there are funds in excess of the amount needed for appropriations of from the capital
11 developments long-range building program account in the capital projects fund type, then the excess funds:

12 (i) may be used to pay down the debt service on principal, interest, premiums, and any costs or
13 fees associated with redeeming or defeasing outstanding general obligation bonds paid by the general fund for
14 capital projects previously authorized by the legislature if allowed without penalty by the terms of the bond
15 issuance and issued pursuant to state law; and

16 (ii) must be used to delay, forego, or reduce the amount of an issuance of general obligation
17 bonds paid by the general fund and authorized by the legislature pursuant to state law only if the balance in the
18 capital developments long-range building program account established in 17-7-209 is \$100 million or more after
19 reducing the account balance by:

20 (A) the amount needed for appropriations from the account; and

21 (B) the amount of funds used to forego or reduce the issuance of general obligation bonds paid by
22 the general fund.

23 (2) Interest earnings, project carryover funds, administrative fees, and miscellaneous revenue
24 must be retained in the account.

25 (3) The legislature may transfer unencumbered funds from the account only to supplement funding
26 local infrastructure. For the purposes of subsection (1)(b)(i), funds are statutorily appropriated pursuant to 17-7-
27 502(4) from this account.

28 (4) ~~The state treasurer may temporarily borrow from the fund to address cash balance deficiencies in~~

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1 the general fund. A loan made to the general fund does not bear interest and must be recorded in the state
2 accounting records. The fund may not be so impaired by a loan that all legal obligations against the fund cannot
3 be met."

4

5 **Section 6.** Section 17-7-502, MCA, is amended to read:

6 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory
7 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without
8 the need for a biennial legislative appropriation or budget amendment.

9 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with
10 both of the following provisions:

11 (a) The law containing the statutory authority must be listed in subsection (3).

12 (b) The law or portion of the law making a statutory appropriation must specifically state that a
13 statutory appropriation is made as provided in this section.

14 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-
15 11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-
16 807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; 15-1-121; 15-1-218;
17 15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-
18 70-130; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-
19 112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-
20 506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; [20-15-328]; 20-26-617; 20-26-1503; 22-
21 1-327; 22-3-116; 22-3-117; [22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-
22 1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213; 44-13-102;
23 46-32-108; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115; 61-3-321; 61-
24 3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-13-150; 76-
25 13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006; 81-1-112; 81-
26 1-113; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-2-526; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603;
27 87-5-909; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

28 (4) There is a statutory appropriation to pay the principal, interest, premiums, and any costs of or

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1 fees associated with issuing, paying, and securing, redeeming, or defeasing all bonds, notes, or other
2 obligations, as due in the ordinary course or when earlier called for redemption or defeased, that have been
3 authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements
4 authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through
5 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on
6 the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec.
7 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates contingently when the amortization period for the
8 teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the
9 inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for
10 the supplemental benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102
11 is effective on occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and
12 22-3-117 terminates June 30, 2025; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates
13 June 30, 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30,
14 2025; pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to
15 secs. 5, 8, Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023;
16 pursuant to sec. 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch.
17 374, L. 2017, the inclusion of 76-17-103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the
18 inclusion of 37-50-209 terminates September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of
19 17-7-215 terminates June 30, 2029; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-
20 108 terminates June 30, 2027; pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1,
21 2023; pursuant to sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023; pursuant to
22 secs. 1, 2, 3, Ch. 139, L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200,
23 L. 2021, the inclusion of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the
24 inclusion of 30-10-1004 terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-
25 115 terminates June 30, 2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is
26 effective July 1, 2027; and pursuant to sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108 terminates June
27 30, 2023.)"

28

1 **Section 7.** Section 76-13-150, MCA, is amended to read:

2 ~~"76-13-150. — Fire suppression account — fund transfer. (1) There is a fire suppression account in~~
3 ~~the state special revenue fund to the credit of the department.~~

4 ~~(2) — The legislature may transfer money from other funds to the account, and the money in the~~
5 ~~account is subject to legislative fund transfers.~~

6 ~~(3) — Funds received for restitution by private parties must be deposited in the account.~~

7 ~~(4) — Money in the account may be used only for:~~

8 ~~(a) — fire suppression costs;~~

9 ~~(b) — fuel reduction and mitigation;~~

10 ~~(c) — forest restoration;~~

11 ~~(d) — grants for the purchase of fire suppression equipment for county cooperatives;~~

12 ~~(e) — forest management projects on federal land;~~

13 ~~(f) — support for collaborative groups that include at least one representative of an affected county~~
14 ~~commission that is engaged with a federal forest project and for local governments engaged in litigation related~~
15 ~~to federal forest projects; and~~

16 ~~(g) — road maintenance on federal lands.~~

17 ~~(5) — Interest earned on the balance of the account is retained in the account.~~

18 ~~(6) — Except as provided in subsections (7) and (8), by August 15 following the end of each fiscal~~
19 ~~year, an amount equal to the balance of unexpended and unencumbered general fund money appropriated in~~
20 ~~excess of 0.5% of the total general fund money appropriated for that fiscal year must be transferred by the state~~
21 ~~treasurer from the general fund to the fire suppression account. General fund appropriations that continue from~~
22 ~~a fiscal year to the next fiscal year and any general fund appropriations made pursuant to 10-3-310 or 10-3-312~~
23 ~~are excluded from the calculation.~~

24 ~~(7) — The provisions of subsection (6) do not apply in a fiscal year in which reductions required by~~
25 ~~17-7-140 occur or if a transfer pursuant to subsection (6) would require reductions pursuant to 17-7-140.~~

26 ~~(8) — The fund balance in the account may not exceed 4% 12% of all general fund appropriations in~~
27 ~~the second year of the biennium.~~

28 ~~(9) — By August 15 of each even-numbered fiscal year, if the balance in the account at the end of the~~

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1 ~~most recently completed odd-numbered fiscal year exceeds \$40 \$100 million, the excess, up to \$5 \$25 million,~~
2 ~~must be used in the biennium for the purposes in subsections (4)(b) through (4)(g). Of that amount, no more~~
3 ~~than 5% may be used for the purposes of subsection (4)(f).~~

4 ~~(10) — Money in the account is statutorily appropriated, as provided in 17-7-502, to the department for~~
5 ~~the purposes described in subsection (4)."~~

6
7 **NEW SECTION. Section 7. Transfer of funds.** (1) By June 30, 2023, the state treasurer shall
8 transfer ~~\$184.7~~ \$377 million from the general fund to the budget stabilization reserve fund provided for in 17-7-
9 130.

10 ~~(2) — By June 30, 2023, the state treasurer shall transfer \$254 million from the general fund to the~~
11 ~~fire suppression account provided for in 76-13-150.~~

12 ~~(3)(2)~~ (2) By June 30, 2023, the state treasurer shall transfer \$30 million from the general fund to the
13 ~~state employee health care expense trust account provided for in 2-18-1304~~ state self-insurance reserve fund
14 established in 2-18-812.

15 ~~(4)(3)~~ (3) By June 30, 2023, the state treasurer shall transfer \$18 million from the general fund to the
16 office of the commissioner of higher education for the Montana university system for one-time benefit of
17 university system employees.

18
19 **Section 8.** Section 1(2), Chapter 476, Laws of 2019, is amended to read:

20 **"Section 1. Definitions.**

21 (2) "CPA" means the capital projects account provided for in 17-5-803 and 17-5-804 or the account
22 established in 17-7-209.

23
24 **Section 9.** Section 13, Chapter 476, Laws of 2019, is amended to read:

25 **"Section 13. Authorization of bonds -- conditions -- maturity.** (1) The board of examiners is
26 authorized to issue and sell general obligation bonds in one or more series and from time to time for the
27 purposes described in subsection (3) in addition to the amount of general obligation bonds outstanding on
28 January 1, 2019.

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1 (2) The bonds under this section must be issued in accordance with the terms and in the manner
2 required by Title 17, chapter 5, part 8, and the maturity of these bonds must be 10 years. The authority granted
3 to the board of examiners by this section is in addition to any other authorization to the board of examiners to
4 issue and sell general obligation bonds.

5 (3) On [the effective date of this act], the board of examiners is authorized to issue and sell general
6 obligation bonds and deposit the proceeds as follows

7 (a) \$39,550,000 of the proceeds from the bonds sold under this section must be deposited in the
8 capital projects account provided for in 17-5-803 and 17-5-804; and

9 (b) \$21,500,000 of the proceeds from the bonds sold under this section must be deposited in the
10 delivering local assistance account for grants provided for in [section 2(1)].

11 (c) \$18,823,553 of the proceeds from the bonds sold under this section must be deposited in the
12 local infrastructure account provided for in [section 2(2)].

13 (4) For the purposes of subsection (3), funds on hand in the account established in 17-7-209 in
14 excess of the amount needed for appropriations from the account are appropriated and may be deposited in the
15 accounts described in subsection (3) in lieu of the proceeds of bonds authorized in this section. The total
16 amount of funds deposited in the accounts from bond proceeds and funds from the account established in 17-7-
17 209 may not exceed the amounts authorized in subsection (3)."

18

19 **Section 10.** Section 2(2), Chapter 499, Laws of 2005, is amended to read:

20 **"Section 2. Appropriation of bond proceeds.**

21 (2) The following money is appropriated from the CPF from the proceeds for the bonds authorized
22 by [section 3] or from the account provided for in 17-7-209 to the department of natural resources and
23 conservation for the capital projects described in this section, and if the bond proceeds are used, contingent
24 upon the authorization of general obligation bonds by the 59th legislature and the sale of bonds by the board of
25 examiners:"

26

27 NEW SECTION. Section 11. Severability. If a part of [this act] is invalid, all valid parts that are
28 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,

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1 the part remains in effect in all valid applications that are severable from the invalid applications.

2

3 NEW SECTION. **Section 12. Effective date.** [This act] is effective on passage and approval.

4

5 NEW SECTION. **Section 13. Termination.** [Section 1] terminates June 30, 2025.

6

- END -

AMENDED